ALVORD AND ALVORD

ATTORNEYS AT LAW 1050 Seventeenth Street, N.W.

Suite 301 Washington, D.C.

ELIAS C. ALVORD (1942) ELLSWORTH C. ALVORD (1964) 20036

OF COUNSEL URBAN A. LESTER

(202) 393-2266

FAX (202) 393-2156

E-MAIL alvordlaw@aol.com

August 1, 2002

RECORDATION NO 3405/

Mr. Vernon A. Williams Secretary Surface Transportation Board Washington, D.C. 20423

AUG 1 '02 4-00 PM

SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease, dated as of July 31, 2002, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor:

First Union Commercial Corporation

301 South College Street Charlotte NC 28288

Lessee:

Northern States Power Company

800 Nicollett Mall

Minneapolis, MN 55401

A description of the railroad equipment covered by the enclosed document is:

138 railcars NSPX 21001-21138

Mr. Vernon A. Williams August 1, 2002 Page Two

A short summary of the document to appear in the index is:

Memorandum of Lease and Security Agreement

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

Robert W. Alvord

RWA/anr Enclosures

RECORDATION NO. 3405 7

'AUG 1 '02

4-00PM

MEMORANDUM OF LEASE (Surface Transportation Board)

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE dated as of July 31, 2002 is between FIRST UNION COMMERCIAL CORPORATION, a North Carolina corporation ("Lessor") and NORTHERN STATES POWER COMPANY, a Minnesota Corporation ("Lessee").

The parties to this Memorandum hereby acknowledge and confirm the following:

- A. Lessee has leased from Lessor certain locomotives identified on <u>Schedule 1</u> attached hereto (the "Locomotives") under the Lease Supplement and Acceptance Certificate to that certain Equipment Lease Agreement dated as of July 31, 2002 (hereinafter together as amended, modified, supplemented and or replaced from time to time as the "Lease").
- B. The parties hereto wish to show for public record this Memorandum and accordingly have caused this Memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.
- C. This Memorandum may be executed in counterparts, each such counterpart shall be binding on both parties hereto, notwithstanding that both parties are not signatories to the same counterpart.

[The remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the first date herein above written.

FIRST UNION COMMERCIAL CORPORATION

By: Ginda & minter Name:			
Title: LINDA H. MINTER VICE PRESIDENT			
STATE OF North Carolona			
STATE OF NORTH CAROLONG COUNTY OF CABARRES SS:			
The foregoing Memorandum of Lease was acknowledged before me, the undersigned Notary			
Public, in the County of Cabarrus this day of, 2002 by			
Link H. Minter, as Vice President of between FIRST UNION COMMERCIAL			
CORPORATION, a North Carolina corporation.			
March B. Orbbis (Notary Public			
My commission expires: 81812003			
[Notarial Seal]			

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the first date herein above written.

NORTHERN STATES POWER COMPANY

By: Name: Paul E. Pender.
Title: Vice President and Treasurer

STATE OF MINNESOTA)

as.

COUNTY OF HENNEPIN)

The foregoing Memorandum of Louse was acknowledged before me, the undersigned Notary Public, in the County of Hennepin this 31 day of July 2002 by Paul E. Pender. as Vice President Northern STATES POWER COMPANY, a Qual Treasurer

Minnesota Corporation.

My commission expires: 1 21 00

SHARON M. QUELIFORST NOTARY Public MINNESOTA INCORPURED FORM 18 200

SCHEDULE 1

DESCRIPTION OF LOCOMOTIVES

One hundred thirty eight (138), 4,400 cubic foot, Aluminum, rapid discharge with rotary couplers, 286 cap. coal cars, 2001 Johnstown America, NSPX 21001-21138

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated:	8-1-02	Glans
		Robert W. Alvord